

Home Improvement Contractors New Application

State of Arkansas CONTRACTORS LICENSING BOARD



\$50.00 Filing Fee - NON-REFUNDABLE

MAIL TO:

**CONTRACTORS LICENSING BOARD
4100 RICHARDS ROAD
NORTH LITTLE ROCK, ARKANSAS 72117
Main Phone Number (501) 372-4661
FAX Number (501) 372-2247
Web Site: www.arkansas.gov/clb**

**PLEASE READ THE INSTRUCTIONS ON PAGE 3 & 4 BEFORE
COMPLETING THIS APPLICATION.**

1.

Home Improvement Contractors New Application

Type of License Applying For

You can apply for a “limited license” or an “unlimited license”.

With a “**limited license**” you can **ONLY** do residential home improvement projects that are \$20,000 or less, including, but not limited to, labor and material.

With an “**unlimited license**” you can do residential home improvement projects of any size.

Please check the box for the license you are applying for.....

☐

“Limited License”

(“Limited license” means you can **ONLY** do residential home improvement projects that are \$20,000 or less, including, but not limited to, labor and material.

See page 3 for instructions.)

☐

“Unlimited License”

(“Unlimited license” means you can do residential home improvement projects of any size.

See page 4 for instructions.)

“LIMITED”

HOME IMPROVEMENT CONTRACTOR’S

Instructions/Checklist

Your completed application must be in this office seven (10) business days prior to a committee meeting to be reviewed. If your application is not complete, you have 90 days from the date we receive the application to send the missing items. After the 90 days, another application and another fee will be required.

1. \$50.00 for the filing fee made payable to the Contractors Licensing Board
(Fee is NON-REFUNDABLE). CASH NOT ACCEPTED.
2. Complete Page 2.
3. Complete Page 5.
 - a. If applying as an individual, put your name in the “company or individual name” space.
 - b. If applying as something other than an individual (Corporation, LLC, etc.), put the company name in the “company or individual name” space.
 - c. Indicate the type of entity applying for a license by circling one of the options.
 - d. Complete the remainder of page 5.
4. Specialty(s).
Circle on page 6 the specialty(s) being requested.
5. Experience.
The experience information on page 7 must show proof of experience for the specialty(s) being requested on page 6. If you are seeking multiple specialties, it may be necessary to provide information on more than one project. **A Specialty will not be included on your license if you do not provide proof of experience in that specialty**
6. Complete Page 8.
7. Complete Page 9.
 - a. If the applicant is a Corporation, LLC, LP or a Partnership, provide the information requested.
 - b. Provide a list of all owners of the business who own 10% or more, along with each person’s Social Security Number.
 - c. If you are applying as a Corporation, LLC, or LP you will need to attach a copy of the Articles/Filings from your entity’s Secretary of State’s Office. Also, if you have registered a fictitious name for this company you will need to attach a copy of the fictitious name registration.
8. Complete Page 10, must be signed, and notarized. The notary signature and seal must be included. If you are applying as a Corporation, LLC, Partnership, etc., complete the top affidavit. If you are applying as an individual, complete the bottom affidavit.

“UNLIMITED”

HOME IMPROVEMENT CONTRACTORS

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8. Complete page 10, must be signed, and notarized. The notary signature and seal must be included. If you are applying as a Corporation, LLC, Partnership, etc., complete the top affidavit. If you are applying as an individual, complete the bottom affidavit.
9. We must have a balance sheet showing a positive net worth. We have provided a balance sheet form on our web site for your convenience if needed at www.arkansas.gov/clb.
10. All applicants must provide a “certificate of insurance” showing Worker’s Compensation coverage for the entity name in which you are applying for, as it will appear on the license. **Certificates of NON-COVERAGE are “NOT” acceptable, for licensing purposes only, if you are unable to provide Worker’s Compensation Insurance, you might want to consider applying for a “Limited” license, see page 3. The license can be approved but not released without this Worker’s Compensation certificate of insurance.**

Home Improvement Contractors New Application

Do not write in this space - OFFICIAL USE ONLY

Filing Fee: _____

ID#: _____

Type of License:

Limited

Unlimited

PRINT NAME OF INDIVIDUAL OR FIRM AS YOU WISH IT TO APPEAR ON LICENSE. IF APPLYING OTHER THAN AN INDIVIDUAL, YOU MUST USE THE EXACT NAME AS REGISTERED WITH THE SECRETARY OF STATE OFFICE. APPLICANTS MUST CONDUCT THEIR CONTRACTING BUSINESS UNDER THE EXACT NAME SHOWN UPON THEIR LICENSE

Company or Individual Name _____

D/B/A Name _____

(Doing Business As)

Indicate the type of entity seeking a license by circling one of the choices below:

INDIVIDUAL CORPORATION PARTNERSHIP LLC LP OTHER _____

If applying as Corporation / LLC, list the Federal ID# _____

If applying as an Individual, LLC, or Partner, list the Social Security Number(s) for either the individual, members, or partners _____

Mailing Address _____ City _____ State _____

Zip Code _____

County/Parish _____

Name of Person to Contact with Any Questions _____

Contact Phone _____

Fax Number _____

E-mail Address _____

Complete the following information for the person that will be the qualifier

(The "qualifier" is the person who has read and understands pages 11 through 13.)

Name _____ Social Security # _____

How long have you been with this company? _____ Position held with this company _____

Check one of the following: _____ Full time paid employee (with W-2 income)
_____ Officer, member, or partner of the company and is actively
involved in the day to day operations
_____ Sole Owner

5.

Effective Date 4/2012 (Home Improvement Contractor's New App)

“Home Improvement Specialties”

The Residential “Remodeler” License it has its own application! If you want the Residential “Remodeler” specialty download and complete the Residential Remodeler New Application at www.arkansas.gov/clb.

Proof of experience performing the type of work requested is required on page 7 in order to receive any specialty(s). We must have experience for each specialty. Ex: If you are asking for the painting specialty you must have painting experience and so on. A contractor may obtain one or more of the Specialties by showing references for each specialty requested.

Specialties: (Circle below the specialty(s) being requested.)

Awnings, Canopies
Base & Paving
 a. Base Construction
 b. Hot & Cold Mixes
 c. Surface Treatment
 d. Asphalt
 e. Concrete Paving
Boat Docks
Carpentry, Framing, Millwork, Cabinets
Ceilings, Wall Systems, Acoustical Treatments
Chimneys, Fireplaces
Communication, Computer or Sound Systems, Cabling
Concrete
Countertops
Central Vacuum Systems
Demolition
Detached Garage, Storage Building, Detached Structures
Drywall
Excavation
Fencing, Gates
Floors, Floor Covering
Foundation Construction or Drilling, Pile Driving, Stabilization
Glass, Glazing, Doors, Windows, Hardware
Grading & Drainage (Including Grading, Drainage, Pipe & Structures,
 Culverts, Clearing, Grubbing & Rip Rap)
Greenhouses, Sunrooms
Insulation
Kitchen, Bathroom Renovations
Landscaping, Irrigation, Lawn Sprinkler Systems, Streams
Lathe, Plaster, Stucco, Dryvit, EIFS
Masonry
Metal Studs, Walls
Overhead Doors
Painting, Wallcovering
Rebar
Retaining Walls
Roofing, Roof Decks
Siding, Soffit, Fascia, Gutters
Skylights, Solar Systems
Special Coatings or Applications, Caulking, Waterproofing
Steel, Alloy, Ornamental, Metal Fabrication, Welding
Swimming Pools, Spas
Tile, Terrazzo, Marble

Experience Information

(If additional space is needed please attach separately.)

ANSWER ALL OF THE FOLLOWING QUESTIONS

Project #1

Date construction was started _____

Date construction was completed _____

Owner's name _____

Owner's address _____

Type of Work _____

Location of construction _____

County _____

City _____

State _____

Project #3

Date construction was started _____

Date construction was completed _____

Owner's name _____

Owner's address _____

Type of Work _____

Location of construction _____

County _____

City _____

State _____

Project #5

Date construction was started _____

Date construction was completed _____

Owner's name _____

Owner's address _____

Type of Work _____

Location of construction _____

County _____

City _____

State _____

Project #2

Date construction was started _____

Date construction was completed _____

Owner's name _____

Owner's address _____

Type of Work _____

Location of construction _____

County _____

City _____

State _____

Project #4

Date construction was started _____

Date construction was completed _____

Owner's name _____

Owner's address _____

Type of Work _____

Location of construction _____

County _____

City _____

State _____

APPLICANT'S INFORMATION

Note: The Word "You" means, for the purpose of the following questions, this organization, any officer of the company, the qualifier of this company, you, or anyone who owns 10% or more of the entity.

1. Indicate the type of entity seeking a license by circling one of the choices below:

INDIVIDUAL CORPORATION PARTNERSHIP LLC LP OTHER _____

2. How long has your organization been in business as a contractor under your present business name? _____

3. How many years of work experience does the trade or classification qualifier for this license have? _____

Yes___ No___ 4. Have you ever failed to complete any work awarded to you? (See definition of "you" above) **If yes, attach separately a statement of circumstance.**

Yes___ No___ 5. Have you ever been an investor, partner or officer of some other organization that failed to complete a construction contract? (See definition of "you" above) **If yes, attach separately the name of the individual, other organization and reason for failure.**

Yes___ No___ 6. Have you filed bankruptcy or were you a part of any other organization that has filed bankruptcy within the last ten (10) years? (See definition of "you" above) **If yes, attach separately details and an explanation as to why bankruptcy had to be filed along with a copy of the document prepared by your attorney listing the creditors and a copy of the bankruptcy discharge.**

Yes___ No___ 7. Have you ever been convicted of a felony? (See definition of "you" above) **If yes, attach separately details and an explanation.**

Yes___ No___ 8. Do you or any construction related entity in which you own 10% or more, have any outstanding liens, judgments, or pending litigation? (See definition of "you" above) **If yes, attach separately details and an explanation.**

Yes___ No___ 9. Have you ever had a contractors license or been associated with a contractors license in this or any other state? (See definition of "you" above) **If yes, attach separately details.**

Yes___ No___ 10. Have you ever been penalized, or disciplined by the Arkansas Contractors Licensing Board or the Arkansas Residential Committee? (See definition of "you" above) **If yes, attach separately details and an explanation.**

Yes___ No___ 11. Have you ever had a contractors license revoked, suspended or surrendered in this or any other state? (See definition of "you" above) **If yes, attach separately details.**

Yes___ No___ 12. Do you knowingly employ individual(s) without legal authority to work in the United States? (See definition of "you" above)

Yes___ No___ 13. Do you knowingly hire workers, as independent contractor(s), who do not have legal authority to work in the United States? (See definition of "you" above)

Yes___ No___ 14. Are you legally authorized to work in the United States? (See definition of "you" above)

Yes___ No___ 15. Do you understand that the failure to comply with the Federal law on the hiring, as employees or as subcontractors, of workers without legal authority to work in the United States can lead to the revocation of your contractor's license in the State of Arkansas? (See definition of "you" above)

CORPORATION, LLC, or LP DATA:

Date Company Incorporated _____

* Date Registered at Arkansas Secretary of State (501-682-3409) as a Foreign Entity _____

(*This process must be completed before you begin work in the State of Arkansas if you are a foreign entity.)

President _____	SSN _____
Vice-President _____	SSN _____
Secretary _____	SSN _____
Treasurer _____	SSN _____

OR

PARTNERSHIP DATA:

Date Partnership Formed _____

State whether partnership is general, limited or associated: _____

List all stockholders, members, or partners who own 10% or more interest in this entity (please print each name) along with their Social Security number or EIN# if a Company or LLC.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

AFFIDAVIT FOR COMPANY (Corporation, LLC, LP or Partnership)

I, _____, being duly sworn/affirmed, state under oath:
(Name of Officer/Member/Partner)

That I am _____ of _____;
(Position held) (Company Name)

Further, that the foregoing statement of experience and all statements contained within this application, including attachments are true and correct; Further, that I am familiar with the books and records of the above mentioned company showing its financial condition; that the financial statement(s) and any accompanying financial data attached hereto (or submitted separately) are taken from the books and records of said company and form a true and accurate statement of the financial condition of said company as of the date shown; Further, that the foregoing statements of experience and financial condition are submitted to the Contractors Licensing Board or the Residential Building Contractors Committee for the express purpose of inducing the Board or Committee to license the applicant as a contractor in the State of Arkansas, and that any depository, vendor or state agency is hereby authorized to supply such Board or Committee with any information necessary to verify these statements. Any agency of the State of Arkansas is authorized to release to the Contractors Licensing Board, or its representative, or the Residential Building Contractors Committee, or its representative, any information necessary to show proper compliance with A.C.A. § 17-25-101 et seq., or A.C.A. § 17-25-501 et seq.

(Applicant Signature Here)

State of _____

County of _____

Acknowledged before me, this _____ day of _____, 20_____.

My Commission expires: _____

(Notary Public Signature) & Seal

AFFIDAVIT FOR INDIVIDUAL

I, _____ being duly sworn/affirmed, states under oath:
(Individual's Name)

That the foregoing statement of experience and all statements contained within this application, including attachments are true and correct; Further, that the financial statement(s) and any accompanying financial data attached hereto (or submitted separately) are taken from my books and records and form a true and accurate statement of my financial condition as of the date shown; Further, that the foregoing statements of experience and financial condition are submitted to the Contractors Licensing Board or the Residential Building Contractors Committee for the express purpose of inducing the Board or Committee to license the applicant as a contractor in the State of Arkansas, and that any depository, vendor or state agency is hereby authorized to supply such Board or Committee with any information necessary to verify these statements. Any agency of the State of Arkansas is authorized to release to the Contractors Licensing Board, or its representative, or the Residential Building Contractors Committee, or its representative, any information necessary to show proper compliance with A.C.A. § 17-25-101 et seq., or A.C.A. § 17-25-501 et seq.

(Applicant Signature Here)

State of _____

County of _____

Acknowledged before me, this _____ day of _____, 20_____.

My Commission expires: _____

(Notary Public Signature) & Seal

HOME IMPROVEMENT

Test Information

Please Carefully Read The Following Information. By Signing The Application For A License, You Are Certifying That You Have Read And Understand All The Information Provided In This Form.

THE PURPOSE OF THE COMMERCIAL AND RESIDENTIAL LICENSING LAW

- The main purpose of licensing is to protect the health, safety, and welfare of the public.
- The law states the requirements to obtain a license, the standards that are required to obtain and maintain a license, and provides the authority for the Arkansas Contractors Licensing Board and Arkansas Residential Contractors Committee to hold disciplinary hearings against contractors who do not follow the law.
- The Arkansas Contractors Licensing Board is an agency of the State of Arkansas that regulates the issuance of licenses for commercial contractors in the State of Arkansas pursuant to Ark. Code Ann. § 17-25-101 through 17-25-315. The Board also regulates the Arkansas State Contractors Bond Law pursuant to Ark. Code Ann. § 17-25-401 through 17-25-409.
- The Arkansas Residential Contractors Committee is an agency of the State of Arkansas that regulates the issuance of licenses for residential building contractors, remodeling contractors and home improvement contractors in the State of Arkansas pursuant to Ark. Code Ann. § 17-25-501 through 17-25-515.

WHO NEEDS A COMMERCIAL LICENSE

- The commercial law is intended to include all improvements, demolition, or structures exempting only single family residences. Ark. Code Ann. § 17-25-101©. Single family residences are defined as any project consisting of one but not more than four units constructed for residential occupancy. Any project consisting of five or more units is considered multi-family housing and would be considered a commercial project.
- A commercial contractors license is required when the cost of the work to be done by the contractor including, but not limited to, labor and materials is \$20,000 or more. The commercial law applies to both prime contractors and subcontractors.
- The penalty for acting as a commercial contractor without first being licensed is \$100 to \$400 per day, not to exceed 3 percent of the total project being performed by the contractor.
- The Board may revoke the license of a commercial contractor found guilty of fraud or deceit in obtaining a license, for aiding or abetting any contractor or person to violate the provisions of the contractors licensing law, or for gross negligence, incompetence, or misconduct in the conduct of the contractor's business.
- Licensed contractors are required to cooperate with investigations by providing the Board with all relevant information requested. Failure to cooperate or to timely provide the board with relevant information as requested may constitute misconduct and subject the contractor to revocation of the contractor's license.

WHO NEEDS A RESIDENTIAL BUILDER LICENSE OR A HOME IMPROVEMENT LICENSE

- The residential law applies to work done on all single family residence, defined as any project consisting of one but not more than four units constructed for residential occupancy.
- A residential building contractor is one who acts as a contractor in the construction of a single family residences or the property and structures appurtenant thereto.
- A home improvement contractor is one who acts as a contractor in the reconstruction, alteration, renovation, repair, modification, improvement, removal, demolition, or addition to any preexisting single family residence or the property and structures appurtenant thereto.
- A Home Improvement license is required when a contractor performs work over \$2,000, including labor and materials, on a residential project. A "Limited" license limits contractors to projects less than \$20,000. An unlimited license allows the Home Improvement contractor to perform any size project.

Test Information (cont)

- The following are exemptions to the residential builder and home improvement licensing requirements: (1) owners are exempt from licensure when acting as the contractor in the construction of his or her residence unless he or she builds more than one residence during any calendar year (2) owners acting as his or her own home improvement contractor on his or her own property (3) subcontractors working for a properly licensed contractors and (4) contractors licensed by other licensing agencies or boards if the contractor is performing work within the scope of that license.
- The penalty for working as a residential or home improvement contractor without first being licensed is \$100 to \$400 per day.
- The committee may revoke the license of a residential builder and home improvement contractor found guilty of fraud or deceit in obtaining a license, for aiding or abetting any contractor or person to violate the provisions of the contractors licensing law, or for gross negligence, incompetence, or misconduct in the conduct of the contractor's business.
- Licensed contractors are required to cooperate with investigations by providing the committee with all relevant information requested. Failure to cooperate or to timely provide the committee with relevant information as requested may constitute misconduct and subject the contractor to revocation of the contractor's license.

BUILDING CODE

- Arkansas Building Codes are mandatory statewide minimums.
- The Arkansas Building Code is adopted by the State Fire Marshal's office. It is a part of the Fire Prevention Code. The Code applies Statewide, even in rural and unincorporated areas. Arkansas is currently under the 2007 Edition of the Code.
- The Code can be purchased from the International Code Council. The Code can also be purchased from the Arkansas Fire Training Academy Book Store: 870-574-4510.
- Failure to comply with the Building Codes could subject a licensed contractor to disciplinary action by the Arkansas Contractors Board or Residential Contractors Committee.

WORKERS COMPENSATION

- All Residential Builders and Unlimited Home Improvement contractors are required to show proof of workers compensation insurance in order to obtain a license. Limited Home Improvement contractors do not.
- Those contractors who are not required to show proof of workers compensation to obtain their license still may be required to obtain it pursuant to the workers compensation laws. According to Ark. Code Ann. § 11-9-102, generally all contractors with at least one employee are required to have workers compensation insurance by the Workers Compensation Commission. Enforcement of this workers compensation requirement is performed by the Workers Compensation Commission.

LIEN LAW

- Every state, including Arkansas, permits a person who supplies labor or materials for a construction project to claim a lien against the improved property. The lien serves to "cloud" the title and can be an effective method for securing payment for the labor or materials used improving the property. If there is a lien on the improved property, the owner may not sell the property with a clear title and it may be foreclosed in a lawsuit.
- Important Notice - A contractor on all residential projects is required to give notice of the potential for a lien to be filed to the owner of a project before the commencement of the work. This notice if given by the prime contractor is good for all subcontractors and suppliers as well.
- If the important notice is not given, (1) potential lien claimants may not enforce a lien on the project (2) the contractor could be subject to a criminal prosecution and (3) the contractor could be barred from bringing an action to enforce any provision of the contract.
- The notice must be given exactly as it is stated in the statutes.
- In order to enforce any lien that is filed, it is imperative that you strictly comply with the notices and time frames required in the statutes. It may be necessary to consult an attorney prior to beginning the lien process to ensure that it has been done properly.

Test Information (cont)

CONTRACTS

- The main purpose in contracts is to prevent disputes between parties entering into agreements. While a verbal contract may be enforced, disputes may arise as to the terms of the agreement. Therefore, it is strongly suggested that all contracts be in writing so there will be no questions regarding the terms that were agreed to by both parties.
- All contracts should set out scope of work, compensation, time frames for work and payments. This protects both the homeowner and the contractor.
- Just like the original contract any “change order” that is not in writing may lead to a dispute as to what was agreed upon. For your protection, it is strongly recommended that all change orders be in writing and agreed to by the homeowner and contractor.

FINANCIALS

- All Residential Builders and Unlimited Home Improvement contractors are required to submit a compiled financial statement with their application and renewal application showing a positive net worth excluding the applicant’s homestead and retirement accounts. A Limited Home Improvement contractor is not required to submit a balance sheet.
- A “balance sheet” is a financial statement that lists all assets (such as cash, accounts receivable, equipment, etc.) on one side and all liabilities (such as accounts payable, loans, etc.) on the other. If the total dollar value of the assets is more than the total dollar value of the liabilities then the contractor has a “positive net worth.” If, however, the total dollar value of the assets is less than the total dollar value of the liabilities, then the contractor has a “negative net worth.”